CS NEWS

Connecting Statutes

2017

Global Values. Indian Solutions.

J Sundharesan & Associates
Governance & Compliance Advisors

63/1, Makam Plaza, 3rd Floor, West Wing, 3rd Main Road,
18th Cross, Malleshwaram, Bengaluru - 560055
Phone: +91- 80 – 2344 0238/ 39, Cell: +919880026296
www.jsundharesan.com

2017 – "The year of Transparency". Substance or Form
Initiative by J Sundharesan

CS NEWS INSIDE!

SAFEGAURD YOUR DAD

Director Identification Number (DIN), Attendance and Digital Signature Certificate (DSC).

Any individual who is appointed as a Director of a Company or is already on the Board of companies which includes listed, unlisted and private companies is required to ensure the safekeeping and validity of three important things, i.e. the Director Identification Number (DIN), their Attendance and the Digital Signature Certificate (DSC).

DIRECTOR IDENTIFICATION NUMBER (DIN)

DIN is a unique identification number allotted by the Central Government pursuant to the provisions of section 153 and 154 of the Companies Act, 2013 ("the Act") read with rule 2 (d) of the Companies (Appointment of Directors) Rules, 2014 and includes the Designated Partner Identification Number (DPIN) issued under section 7 of the Limited Liability Partnership Act, 2008 and rules made thereunder, to a person intending to become a Director of a company.

DIN is a pre-requisite before being appointed as a Director of any Company. DIN also facilitates to get a comprehensive list of entities in which an individual is a Director and the same can be accessed on the portal of the Ministry of Corporate Affairs (MCA).

Every person who is a director shall ensure safekeeping of the DIN and should part with the details of the DIN only with a written consent conveying the acceptance to be appointed as a Director of the company.

ATTENDANCE

Every Director is required to attend meetings of the Board of Directors. The provisions laid out in the Act emphasises that importance must be given to the attendance of every Director in the company.

The provisions of sub section (b) of section 167 of the Act, states that the office of a director shall become vacant in case he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board.

Therefore, it is necessary for every director to attend at least one Board Meeting within a period of twelve months. There is a requirement that the annual return must specify the details of attendance of each Director during the reporting period (i.e. every financial year).

Every person who is a director shall ensure that they attend at least one board meeting in a period of 12 months and that is the responsibility of the Director.

DIGITAL SIGNATURE CERTIFICATE (DSC)

Digital Signature Certificate (DSC) is the digital equivalent (that is electronic format) of a physical or paper signature. Where physical documents are signed by hand; the electronic documents, for example e-forms are required to be signed digitally using a DSC.

While Section 153 of the Companies Act, 2013 makes it mandatory for every person intending to become a Director, to first obtain his Director Identification Number (DIN); Sub-Rule 3 of Rule 9 of Companies (Appointment of Directors) Rules 2014, prescribes that the application for obtaining DIN shall be in e-form DIR-3 and shall be **filed by the applicant himself.**

This necessitates obtaining a DSC being an electronic signature, prior to making an application for DIN. Procuring a DSC is from authorised dealers only and the important point is it can be easily misused by anybody having access to the same, thereby necessitating it to be password protected. DSC's are valid for a period of 1-2 years and is required to be renewed upon expiry.

Every person who is a director shall ensure safekeeping of their DSC and limit its access to any person. It is important that the DSC is operated by the person in whose name it is or the least to have knowledge of the documents to which the DCS has been affixed.

It is known that in life, every individual is taken care of by their DAD since childhood, however, in the corporate world as a Director, every individual must take care of their **DAD** - **The DIN, Attendance and DSC** as that is considered as the lifeline for every individual to have a successful career as a Director.

HEADS UP ON EVENTS THAT LED TO HEADS DOWN IN JANUARY 2017

Another change at Infosys as Compliance Chief David Kennedy quits

Infosys' General Counsel and Chief Compliance Officer David Kennedy has left the company, the latest in a long line of management changes at India's second-largest IT firm. The Bengaluru-based Infosys said it entered into a separation accord with Kennedy on December 23 and "mutually agreed that Mr Kennedy's employment with the company will cease on December 31, 2016." "Kennedy will receive aggregate severance payments of $868,250 plus reimbursements for COBRA (insurance) continuation coverage over a period of 12 months," Infosys said in a statement dated December 31. Kennedy, based in Palo Alto, California, was one of eight executives whose compensation structure was revised by Infosys in November. Under amended compensation, Kennedy was to earn $557,500 in fixed pay and $472,500 in variable pay. An Infosys spokesperson declined to state the reason for Kennedy's departure. Infosys said deputy general counsel Gopi Krishnan would function as acting general counsel while the company searched for a new legal head. The severance payments would be subject to the fulfilment of conditions in the separation agreement, Infosys added. Kennedy was appointed by Chief Executive Vishal Sikka and joined the company in 2014. He is the eighth high-profile executive to leave Infosys since Sikka took over in August 2014. Kennedy's severance of about Rs 6 crore is about a third of what former Infosys chief financial officer Rajiv Bansal received in October 2015. Bansal got over Rs 17 crore in severance - amounting to 24 months' pay - leading to rumours that Infosys was trying to silence him. The company subsequently said two separate independent investigations into the handling of Bansal's exit revealed no wrong-doings.

I spent time handling Ratan Tata's demands: Cyrus Mistry

As chairman of Tata Sons, Cyrus Mistry says, over time his role revolved around handling the "demands and views" of Ratan Tata on a "full time basis" rather than running the $108-billion Tata conglomerate. Mistry, in a reply to the National Company Law Tribunal (NCLT), presented copies of emails, minutes of board meetings and other documents as evidence to back allegations about interference by Ratan Tata and other Tata Trusts members, especially NoshirSoonawala and R Venkataramanan, in the running of the Tata Group. Tata Trusts holds 66% in the group's parent company. Mistry's affidavit came after NCLT, a quasi-judicial body, told him to show proof of charges levied against Ratan Tata and others by his family-owned firms through a petition in the tribunal. Mistry's family-owned firms, which hold a little over 18% in Tata Sons, had cited mismanagement and oppression of minority shareholders to seek supercession of the company board. Mistry's affidavit says the email exchanges between him and Ratan Tata were as high as "555" in number, demonstrating the "incessant interference" from Ratan Tata during Mistry's tenure, which ended with his ouster as chairman on October 24, 2016.

Mistry cited several instances when some Tata trustees allegedly interfered with operations of listed Tata Group companies. Such interference was seen in Tata Motors ' fund-raising plans and Tata Power's acquisition of Welspun's renewable energy business, he said. Mistry also said Ratan Tata had pushed for higher sales of the loss-making Nano cars to Ola instead of Uber as he had a personal investment in Ola. Mistry said Soonawala often interfered in crucial board decisions but tried to put across such interference as being done in his "personal capacity" and almost always discouraged a written reply from Mistry. The former Tata Sons chairman said it was not only him, but even other senior officials of various group companies had to respond to "queries and interventions" from Ratan Tata. "While this was disruptive and intrusive, with (Ratan Tata) refusing to truly retire", Ratan Tata would "also directly engage with employees and executives of various companies in the Tata Group undermining the authority of not just the executive chairman of the Tata Group but also the board of directors of (Tata Sons) and indeed the boards of directors of various Tata Group companies". Mistry's office declined to comment, when contacted by TOI. Mistry filed his reply with NCLT on December 29. Mistry said such interference created "an environment of ambiguity" and "a tyrannical breakdown" of corporate governance rules. Mistry's affidavit stated that "what began with suggestions in 2013 gave way to assertion of rights under the Articles of Association (AoA) and eventually demands for information on anything and everything that Ratan Tata and Soonawala thought fit to ask". The AoA that Mistry refers to were changed after he was appointed Tata Sons chairman in 2012. It empowered a majority of Tata Trusts-nominated directors to veto any decision that Tata Sons board would want to take.

Banks report 10-fold rise in 'suspect transactions'

Facing pressure from tax and enforcement authorities, banks are not taking any chances in reporting "suspicious transactions" with some of the private players reporting an increase of up to 10 times. Sources said that a private bank, which used to report around 275-300 transactions a month, saw the number for Suspicious Transaction Reports (STR) filings with the Financial Intelligence Unit rise to almost 3,000 during December. Another large bank said that it had seen a seven to eight-fold jump in STRs which were typically made for cash deposits of over Rs 1 crore. An executive at one of the largest banks said that the number of filings had increased as there were several more alerts in the wake of increased surveillance from tax authorities. "We are being extra cautious. The number of cases that we used to report in a month, we are now doing in a week," said the senior bank official, who did not wish to be named. The enforcement directorate and the tax department have been closely tracking the deposit of old Rs 500 and Rs 1,000 notes--especially in private banks-and have also arrest five executives on allegations of illegally helping people convert black money . A series of action, which included ED visiting 50 branches of 10 banks, some of the very prominent that see large transactions. Separately, 547 branches have been identified by tax authorities for heightened scrutiny as they saw abnormal activity compared to the average daily business undertaken by them earlier. The repeated queries and surveys from the agencies prompted the banks to increase the "alerts".

A banker said that various parameters were used for generating the alerts with the non-KYC compliant being one of the key triggers. Similarly, banks looked at the transaction history as one of the other criteria. "If there was a dormant account or one where the volume was very low and suddenly it saw a spurt in the form of large deposits, we decided to play it safe and report it to FIU. We are not taking any chances," said an executive. "Basically, any transaction which we think is suspicious is being reported. We do not want to face the blame," said a bank executive. The government is analysing data on bank deposits and tallying it with tax returns in a bid to go after those who may have sought to use demonetisation as an initiative to deposit unexplained cash.

CCI slaps Rs 206 crore penalty on seven cement companies

The competition watchdog has held seven cement companies guilty of bid rigging and cartelisation and imposed a total fine of nearly . Rs 206 crore on them. The companies are Shree Cement, UltraTech Cement, Jaiprakash Associates, JK Cement, Ambuja Cements, ACC, and JK Lakshmi Cement. The ruling relates to a tender floated by a Haryana agency in 2012. "The anti-competitive conduct was reaffirmed through SMS exchanged and calls made amongst the officials of the cement companies," the finance ministry said in a statement. In a 120-page order, the Competition Commission of India also directed the companies "to cease and desist" from such activities while imposing penalty equivalent to 0.3 per cent of each of their average turnover for three financial years. UltraTech has to pay the highest penalty of . Rs 68.30 crore, followed by Jaiprakash Associates (Rs 38.02 crore), ACC (Rs 35.32 crore), Ambuja (Rs 29.84 crore), Shree Cement (Rs 18.44 crore), JK Cement (Rs 9.26 crore) and JK Lakshmi Cement (Rs 6.55 crore). The director of Supplies and Disposals in Haryana --a procurement agency - had filed the case. The CCI had ordered a detailed probe into the matter in 2014. RAILWAY TENDER In a separate case, the CCI has imposed penalties on three firms for bid rigging on tenders floated by Indian Railways for procurement of brushless DC fans in 2013. The CCI took suo moto action under the Competition Act, 2002 based on information received from the Central Bureau of Investigation.

Ex-Volkswagen CEO Martin Winterkorn denies prior knowledge of 'dieselgate'

Former Volkswagen CEO Martin Winterkorn denied early knowledge of the company's cheating on diesel emissions as he testified on Thursday to a German parliamentary inquiry — his first major public appearance since he resigned in 2015. The 69-year-old resigned in September 2015, several days after news of Volkswagen's use of software to cheat on emissions emerged in the US, saying that he was not aware of any wrongdoing on his part. "As CEO I took political responsibility,'' he told lawmakers on Thursday. "Believe me, this step was the most difficult of my life." Winterkorn, flanked by two lawyers, told the panel in an opening statement that "it is not the case'' he knew earlier than previously thought of the scandal. He said he's still seeking "satisfactory answers'' as to what happened. Winterkorn said he wouldn't comment on details that are a matter for a criminal investigation by prosecutors in Braunschweig, Germany, and declined to answer several questions on exactly when he knew what.

The former CEO acknowledged that "love of detail'' was his "trademark". "It is not comprehensible why I was not informed early and clearly about the measurement problems,'' he said. He added: "Of course I ask myself if I missed signals or misread them.'' He wouldn't elaborate on what those signals were, citing the ongoing investigation. Volkswagen installed software on diesel engines that activated pollution controls during tests and switched them off in real-world driving. The software allowed the cars to spew harmful nitrogen oxide at up to 40 times the legal limit.

Daiichi Sankyo says Ranbaxy founders Malvinder and Shivinder Singh misled court

Japanese drug maker Daiichi Sankyo has raised a fresh issue in its legal fight against Malvinder and Shivinder Singh, alleging that the former Ranbaxy Laboratories promoters had misled the court by hiding facts about a company they had founded and then dissolved. Oscar Traders was one of 20 respondents linked to the brothers from whom Daiichi is trying to recover the money awarded to it by a Singapore arbitration tribunal last year. The Japanese company said it just found out that Oscar Traders had been dissolved as early as in 2012, but that the information was concealed from both the tribunal and the Delhi High Court, which is hearing Daiichi's application for the enforcement of the arbitration award. Daiichi and the Singh brothers have been locked in the arbitration case since 2013 over the sale of Ranbaxy, once India's largest drug maker. The Singapore tribunal last year ordered the Singh brothers to pay Daiichi `2,562 crore in damages for concealing information on wrongdoing at Ranbaxy while selling it for $4.6 billion in 2008. The brothers are contesting the arbitration award at the Delhi High Court, arguing that Indian laws didn't provide for consequential damages and thus the award wasn't enforceable. They have also appealed the order in Singapore. "It is clear ... that the respondents have misled and committed fraud on the arbitral tribunal and the petitioner till date. Further, the respondents misled and played fraud upon this court till they were forced to reveal the status of respondent no. 20," Daiichi's application at the high court said. A spokesperson of RHC Holdings, the group company promoted by the Singh brothers, refused to make "any specific comment" as the case is still being heard in the courts. "Would however like to mention that both Singapore court and the Delhi High Court have directed that (details of) the award and its proceedings be kept in sealed cover as they are confidential," the spokesperson said in an email response to ET's questions. Daichi's lawyers did not respond to ET's email. According to Daiichi's latest application filed under its civil enforcement petition, Oscar Traders was a partnership firm between the Singh brothers and Oscar Investments, another respondent in the case. Oscar Traders was dissolved on December 1, 2012, but Daiichi was informed about it only in October 2016, said the application, which ET has seen. Daiichi has asked for a list of Oscar Traders' assets at the time of its dissolution. It has also asked for the details of the transfer of its assets and liabilities to Oscar Investments, according to the application. This application comes a week after ET reported that Daiichi had moved the Delhi High Court to block the Singh brothers from selling their stake in Fortis Healthcare and ReligareFinvest. Justice S Muralidhar is expected to hear this application on Monday.

Corporate Development Judicial

CASE LAW	Rakesh Sanghi v. Bennett, Coleman & Company Ltd & ANR [CCI]
DECIDED ON	December 05, 2016
LEGISLATION	Competition Act, 2002
BRIEF FACTS	Publication of legal notices in newspapers – OP charging higher fees than other newspapers – whether abuse of dominance – Held, No

Facts: As per the information, the Informant is a lawyer practicing in the city of Hyderabad. It is stated that the Informant is required to publish notices on behalf of his clients for certain purposes such as transactions of land/ real estate, cautioning prospective purchasers against buying disputed properties etc.

It is averred that the Informant wanted to publish a caution notice in the Hyderabad edition of the newspapers published by the OPS. The rates charged by the OPs was around Rs.1,00,000/-. The Informant has averred that the rate quoted by the OPs for the said advertisement is much higher than the rates for similar advertisement in other newspapers circulated in Hyderabad and Secunderabad.

As per the information, OP 1 is charging two different rates for commercial and non-commercial advertisements in its newspaper. It is stated that for commercial advertisements, it is charging more as compared to non-commercial advertisements. The Informant has averred that OP 1 has converted his legal notice, which falls under non-commercial advertisement, into a commercial advertisement as merely the name of a Private Limited Company has been mentioned in the said legal notice.

Decision: Complaint dismissed

Reason: The Commission has perused the information and the materials available on record. It is observed that the Informant is aggrieved by the conduct of OPs of quoting exorbitant rates for advertising legal/public notices in their newspapers in the twin cities of Hyderabad and Secunderabad in the State of Telangana.

The Commission notes that the Informant is an Advocate practicing in the Courts of Hyderabad and on instruction of his clients, he publishes public/ legal notices in the newspapers of the OPs in order to give them wide publicity. Thus, the provision of services relating to publication of advertisements including public/ legal notices etc. in newspapers may be considered as the relevant product market in this case.

With regard to the relevant geographic market, the Commission observes that the geographic area of Hyderabad and Secunderabad may be considered as the relevant geographic market in this case. It is so because the Informant had proposed to publish the said notice in the newspapers in the geographical area of Hyderabad and Secunderabad. Accordingly, 'the provision of services related to publication of advertisements including public/ legal notices etc. in the newspapers in Hyderabad and Secunderabad' may be considered as the relevant market in this case. **With regard to dominance**, the Commission observes that in the twin cities of Hyderabad and Secunderabad, the major Telugu daily newspapers are in circulation. Besides, there are a number of local newspapers also in circulation in the aforesaid relevant geographical market. Therefore, the presence of a large number of other English newspapers and regional dailies in Hyderabad and Secunderabad prevents the OPs from exercising any kind of market power independent of market forces and the presence of such large number of other newspapers in the aforesaid market also provides more choices to the Informant which are substitutable in nature.

Therefore, the Commission is of the view that neither OP 1 nor OP 2 possess the market power to act independently of competitive forces in the relevant market as defined supra or to affect its competitors or consumers or the relevant market in its favour. Therefore, neither OP 1 nor OP 2 is found to be dominant in the relevant market. In the absence of dominance of OP 1 or OP 2 in the relevant market, the question of abuse of dominance by them in terms of Section 4 of the Act does not arise.

In the light of the above analysis, the Commission finds that no case of contravention of the provisions of Section 4 of the Act is made out against any of the OPs in the instant matter. Accordingly, the matter is closed under the provisions of Section 26(2) of the Act.

CASE LAW	SEBI v. Burren Energy India Ltd & ANR [SC]
DECIDED ON	December 02, 2016
LEGISLATION	SEBI Acquisition & Takeover Regulations
BRIEF FACTS	SEBI Acquisition & Takeover Regulations - acquirer entered into a MoU (share purchase agreement) for the acquisition of shares on 14/02/2005 – acquirer appointed its nominees as directors in the parent company of the target company on 14/02/2005 – public offer made on 15/02/2005 – whether the appointment of directors violates the provisions of the Takeover Regulations – Held, Yes.

Facts: Burren Energy India Ltd ("Burren") is incorporated in England, to acquire the entire of the equity share capital of one Unocal Bharat Limited ("UBL"), which is incorporated in Mauritius. The shares of UBL were acquired by one Unocal International Corporation ("UIC") incorporated in California in USA. UBL at the relevant time, held 26.01% of the issued share capital of Hindustan Oil Exploration Co. Ltd. ("the target company"). Burren entered into a share purchase agreement with UIC on 14th February, 2005 to acquire the entire equity share capital of UBL, in

England and by virtue thereof all the shares of UBL were registered in the name of Burren on the same day itself. On account of this transformation Burren came to hold 26.01% of the share capital in the target company. As the acquisition was beyond the stipulated 15% of the equity share capital of the target company the Regulations got attracted making it obligatory on the part of Burren to make a public announcement, which was accordingly made for sale/purchase of 20% of the shares of the target company at a determined price of Rs.92.41 per fully paid up equity share was made on 15th February, 2005 by Burren and UBL acting as a person acting in concert.

On 14th February, 2005 i.e. date of execution of the share purchase agreement Burren appointed two of its Directors on the board of UBL and on the same date UBL, which is a person acting in concert with Burren, appointed the same persons on the board of directors of the target company. This, according to SEBI, amounted violation of Regulation 22(7) of the Regulations inasmuch as the said appointment was made during the offer period which had commenced on and from 14th February, 2005 i.e. date of execution of the share purchase agreement. The adjudicating authority imposed a penalty of Rs.25 lakhs which was set aside by the Securities Appellate Tribunal. Hence the appeal by SEBI.

Decision: Appeal allowed.

Reason: The main thrust of the contentions advanced on behalf of the appellant appears to be that the words 'Memorandum of Understanding' are, in an appropriate situation may also include a concluded agreement between the parties. Even in a given case where a Memorandum of Understanding is to fall short of a concluded agreement and, in fact, the concluded agreement is executed subsequently, the 'offer period' would still commence from the date of the Memorandum of understanding. If the offer period commences from the date of such Memorandum of Understanding, according to the learned counsel, there is no reason why the India Act, 1935. The State of Jammu & Kashmir is a part of this federal structure. Due to historical reasons, it is a State which is accorded special treatment within the framework of the Constitution of India. This case is all about the State of Jammu & Kashmir *vis`-a-vis`* the Union of India, in so far as legislative relations between the two are concerned.

The present appeals arise out of a judgment dated 16.7.2015 passed by the High Court of Jammu & Kashmir at Jammu, in which it has been held that various key provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as "SARFAESI") were outside the legislative competence of Parliament, as they would collide with Section 140 of the Transfer of Property Act of Jammu & Kashmir, 1920. The said Act has been held to be inapplicable to banks such as the State Bank of India which are all India banks. The bone of contention in the present appeals is whether SARFAESI in its application to the State of Jammu & Kashmir would be held to be within the legislative competence of Parliament.

From the Government

National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016.

[Issued by the Ministry of Corporate Affairs vide [(F. No. 1/30/2013/CL. V) dated 15.12.2016. Published in Gazette of India, Extraordinary, Part-II, Section (3) Sub-section (i) vide Notification No. GSR 1147(E) dated 16.12.2016]

In exercise of the powers conferred by sub-section (1) and (2) of section 469 read with section 66 of the Companies Act, 2013 (18 of 2013) the Central Government hereby makes the following rules namely: -

1. (1) These rules may be called the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

(3) The words and expressions used in these rules but not defined and defined in the Companies Act, 2013 (hereinafter referred to as the Act) or in the Companies (Specification of Definitions Details) Rules, 2014 or the National Company Law Tribunal Rules, 2016 shall have the meanings respectively assigned to them in the Act or the said rules.

2. (1) An application to the Tribunal to confirm a reduction of share capital of a company shall be in **Form No. RSC-1** and fee shall be, as prescribed in the Schedule of fee to these rules.

(2) An application to confirm a reduction of share capital of a company shall be accompanied with-

(a) the list of creditors duly certified by the Managing Director, or in his absence, by two directors, as true and correct, which is made as on a date not earlier than fifteen days prior to the date of filing of an application showing the details of the creditors of the company, class wise, indicating their names, addresses and amounts owed to them;

(b) a certificate from the auditor of the company to the effect that the list of creditors referred to in clause (a) is correct as per the records of the company verified by the auditor;

(c) a certificate by the auditor and declaration by a director of the company that the company is not, as on the date of filing of the application, in arrears in the repayment of the deposits or the interest thereon; and

(d) a certificate by the company's auditor to the effect that the accounting treatment proposed by the company for the reduction of share capital is in conformity with the accounting standards specified in section 133 or any other provisions of Act.

(3) Copies of the list of creditors shall be kept at the registered office of the company and any person desirous of inspecting the same may, at any time during the ordinary hours of business, inspect and take extracts from the same on payment of the sum of rupees fifty for inspection and for taking extracts on payment of the sum of rupees ten per page to the company.

3. (1) The Tribunal shall, within fifteen days of submission of the application under rule 2, give notice, or direct that notice be given to -
(i) The Central Government, Registrar of Companies, in all cases, in **Form No. RSC-2**;
(ii) The Securities and Exchange Board of India, in the case of listed companies in **Form No. RSC-2**;
(iii) The creditors of the company, in all cases in **Form No. RSC-3**; seeking their representations and objections, if any.

(2) The notice under clause
(iii) of sub-rule (1) shall be sent, within seven days of the direction given under that sub-rule or such other period as may be directed by the Tribunal, to each creditor whose name is entered in the list of creditors submitted by the company about the presentation of the application and of the said list, stating the amount of the proposed reduction of share capital and the amount or estimated value of the debt or the contingent debt or claim or both for which such creditor's name is entered in the said list, and the time within which the creditor may send his representations and objections. (3) The Tribunal shall along with directions under sub-rule (1) give directions for the notice to be published, in Form No. RSC-4 within seven days from the date on which the directions are given, in English language in a leading English newspaper and in a leading vernacular language newspaper, both having wide circulation in the State in which the registered office of the company is situated, or such newspapers as may be directed by the Tribunal and for uploading on the website of the company (if any) seeking objections from the creditors and intimating about the date of hearing. (4) The notice under sub-rule (3) shall state the amount of the proposed reduction of share capital, and the places, where the aforesaid list of creditors may be inspected, and the time as fixed by the Tribunal within which creditors of the company may send their objections: Provided that the objections, if any, shall be filed in the Tribunal within three months from the date of publication of the notice with a copy served on the company. (5) The company or the person who was directed to issue notices and the publication in the newspaper under this rule shall, as soon as may be, but not later than seven days from the date of issue of such notices, file an affidavit in Form No. RSC- 5 confirming the despatch and publication of the notice. (6) Where the Tribunal is satisfied that the debt or claim of every creditor has been discharged or determined or has been secured or his consent is obtained, it may dispense with the requirement of giving of notice to creditors or publication of notice under this rule or both.

4. Representation by Central Government, Registrar etc. under sub-section (2) of section 66.—If the authorities or the creditors of the company referred to in clause (i), clause (ii) and clause (iii) of sub-rule (1) of rule 3 desire to make any representation under sub-section (2) of section 66, the same shall be sent to the Tribunal within a period of three months from the date of receipt of notice and copy of such representation shall simultaneously be sent to the company and in case no representation has been received within the said period by the Tribunal it shall be presumed that they have no objection to the reduction.

5. Procedure with regard to representations and objections received. — (1) The company shall submit to the Tribunal, within seven days of expiry of period upto which representations or objections were sought, the representations or objections so received along with the responses of the company thereto. (2) The Tribunal may give such directions as it may think fit with respect to holding of any enquiry or adjudication of claims or for hearing the objection or otherwise. (3) At the hearing of the application, the Tribunal may, if it thinks fit, give such directions as may deem proper with reference to securing the debts or claims of creditors who do not consent to the proposed reduction, and the further hearing of the petition may be adjourned to enable the company to comply with such directions.

6. Order on application and Minute thereof. — (1) Where the Tribunal makes an order confirming a reduction, the order confirming the reduction and approving the minute may include such directions or terms and conditions as the Tribunal deems fit . (2) The order confirming the reduction of share capital and approving the minute shall be in **Form No. RSC - 6** on such terms and conditions as may be deemed fit. (3) The Certificate issued by the Registrar under sub-section no. (5) of section 66 shall be in **Form No. RSC-7.**

Clarification regarding due date of transfer of shares to IEPF Authority

[Issued by the Ministry of Corporate Affairs vide General Circular No. 15/2016 dated 07.12.2016.]

1. Various representations have been received from the Companies for simplification of transfer process of shares under Investor Education & Protection Fund (Accounting, Audit, Transfer, and Refund) Rules, 2016, notified on 05.09.2016. It has also been requested for extending the due date prescribed for transferring the shares to IEPF Authority. The matters, including simplification of transfer process and extension of date for such transfer are under consideration and the rules are likely to be revised. The revised rules shall be notified in due course.

2. This issues with the approval of the Competent Authority.

SAVE OUR ENVIRONMENT

PLYWOOD INDUSTRY NOW USES OLD RS 500, RS 1000 NOTES TO MAKE HARDBOARD AND SOFT BOARDS!

The surprise move of demonetization announced by Prime Minister of India, Narendra Modi on November 8, 2016 had made 23 billion currency notes worthless.

Getting rid of the junk notes, amounting to 86% of the currency in circulation, will be a herculean task for the administration.

A plywood company in Kerala provides a solution for this problem.

Western India Plywoods in Kerala's Valapattanam has been using the shredded Rs 500 and Rs 1000 notes to make hardboard, soft board and pressboard.

The company had already used three containers of shredded notes delivered by the Reserve Bank of India's regional office in Thiruvananthapuram.

"The currency notes are carefully mixed with the wooden pulp to make hard board.

After demonetization, the company's management contacted RBI for the tender of shredded notes.

The old notes collected across Kerala by various bank were shredded in the regional office of RBI.

The initial decision was to burn the old notes. But, the environmental consequences forced officials to change the decision.

Source: https://newsd.in/plywood-industry-now-uses-old-rs-500-rs-1000-notes-make-hardboard-soft-boards/

Executive Workshop on THE BOARD DYNAMICS

Date: **17-February -2017 (Friday), 9:00 AM to 5:00 PM**

Venue: **The Pride Hotel, University Road, Shivaji Nagar, Pune.**

This executive development programme will help participants gain the skills that they need to be an effective board member. Additionally it will also equip the delegates with practical tools for participating / heading committees at the board level and help in running your own companies as CEO. Develop a deep understanding of board responsibilities and prepare yourself to reach and excel at the highest level of corporate governance.

WHY BOARDS NEED TRAINING?

An effective Board is a dynamic, fluid group that brings new ideas to further a cause that they are passionate about. The startup Boards are navigating between their new found success and in resolving and addressing issues on how to drive their Company to the next level, how to make strategic decisions, how to beat the competition, how to manage an unforeseen crisis BUT all these can be more effectively done with an added flavor of "Corporate Governance" (CG), Corporate Responsibility Practices (CRP) & Corporate Social Responsibility (CSR).

An effective training program can help Boards' fulfill its role and make a real difference to a company's performance and leave the enthusiastic participants perform their role as board members more effectively.

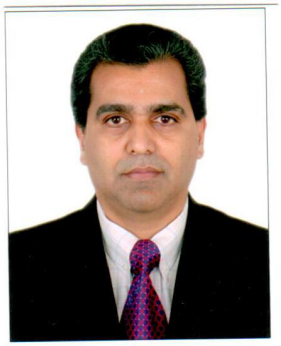
PROGRAMME CONTENT

- Understanding the Roles, Responsibilities of board member
- The power of collective decision and the duties towards stakeholders
- Understanding the board communication and communication to board
- Safeguarding the stakeholders' interest

"Governance is not about doing things right; Governance is about doing no wrong".

Faculty

ABOUT SUNDHARESAN JAYAMOORTHI



Sundharesan Jayamoorthi, a fellow member of The Institute of Company Secretaries of India, New Delhi, member of Association of Secretaries and Managers, Calcutta, member of The Center for Corporate Governance, a Member of Institute of Directors, a Law graduate from Karnataka University and a Bachelor of General Laws, Annamalai University, a member of Society of Corporate Compliance & Ethics, Minneapolis, US.

He is a second-generation company secretary and has over three decades of experience.

LIFE COACH FOR DIRECTORS, BOARD MENTOR & COMPLIANCE GURU

He educates and trains Boards, Senior Management & Advisors on issues relating to Governance, Compliance & Risks. He primarily addresses on subjects relating to Roles, responsibilities, Rights, Duties & liabilities for every member of Board. He is a regular speaker at various international forums and Conventions and National seminars and has submitted papers at International conferences of the Institute of Directors, Institute of Company Secretaries of India and the Institute of Chartered Accountants of India on Corporate Governance, Corporate Social Responsibility, Best Boardroom practices, Due Diligence.

He is a principal faculty with the Institute of Directors for their Master Class Programme for Directors since March 2006. He has trained over 2000 persons for the certified programme in over 100 Master Classes in the last 10 years. His sessions have been rated as **MUST HEAR** from the participants of all the sessions he conducts.

He has authored a book titled "**Board Anatomy**" that lists out the acronym of various corporate actions inside boardrooms.

He has launched an initiative **DART**, a Round Table for Boards & Advisors and **SMART**, a Round Table for Strat-up and SME Entrepreneurs, an initiative to disseminate knowledge periodically. He also publishes a monthly newsletter that brings out the several gamut of Governance, Compliance & Risk.

What you will gain

- Provide inputs on the current corporate law relating to Directors, their qualifications, and duties
- Introduction to regulatory and legislative requirements under the Indian law
- Participating in the programme will help you to promote sound governance in issues raised by your Board
- This programme equips the current or prospective board member with the conceptual frameworks to not only understand and fulfill the expectations but also contribute effectively towards creating world-class organisations

Who Should Attend?

Senior leaders - who are taking on responsibilities of board director for the first time or seeking opportunities for directorship.

CEO / COO / CFO / Head of Finance

Independent Directors

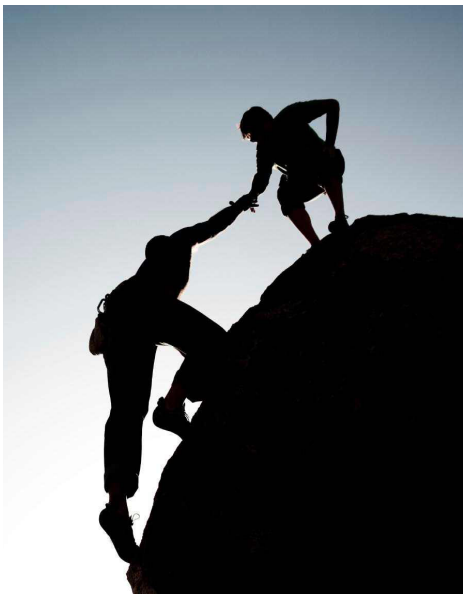
Chief Internal Auditor / Chief Risk Officer

Head of Compliance / Corporate Governance Professionals

Company Secretaries / Senion Management Personnel

Outreach Partners

TiE PUNE FOSTERING ENTREPRENEURSHIP



"Governance is not about doing things right; Governance is about doing no wrong".

WORKSHOP AGENDA

THE BOARD DYNAMICS

9:00 to 9:30 AM – Registration and Breakfast

9:30 to 10:00 AM – Introduction to the course

10:00 to 11:30 AM – Understanding the Roles, Responsibilities of Board Member

- Structuring your Business and your Board
- Working of an Effective Board
- Understanding the Gap between "best practices" and boardroom reality

11:30 to 11:45 AM – TEA BREAK

11:45 AM to 1:00 PM – The power of collective decision and the duties towards stakeholders

- Board tools for Setting Strategy and Oversight
- Powers to be exercised inside boardrooms
- Boardroom Conflicts inside boardrooms

1:00 to 2:00 PM – NETWORKING LUNCH

2:00 to 3:30 PM – Understanding the board communication and communication to board

- Planning and scheduling board workflow
- How to Structure and use committees effectively
- Mock Board Meeting with particpants

3:30 to 3:45 PM – TEA BREAK

3:45 to 5:00 PM – Safeguarding the Stakeholders' Interest

- Family Business & Governance
- Managing and Mitigating Risks
- Implementing corporate governance for your company

PS
1. The participants will be provided with case studies for each session in advance.
2. This workshop is to improve the personality and will require your active participation.

"Governance is not about doing things right; Governance is about doing no wrong".

ABOUT J. SUNDHARESAN & ASSOCIATES

A Firm of Practising Company Secretaries (www.jsundharesan.com) established in 2003 in Bangalore with Team strength of Twelve members. Clients include Fortune 500 companies. The firm is lead by Mr. Sundharesan Jayamoorthi, B. Com, ACS, BGL, AASM, LLB, MIOD, CCEP I with 3 decades of experience. He is the first ECG Specialist in the country, who specialises in Ethics, Compliance & Governance.

His firm provides a whole gamut of services in Corporate Law including Training, Advisory, Consulting and Transactions (TACT).

ABOUT ALPHABRICKS TECHNOLOGIES

AlphaBricks (www.alphabricks.com) is a boutique Company specialising in Software Products for Financial Reporting (XBRL - eXtensible Business Reporting Language), Non-Financial Reporting (Sustainability Reports), Integrated Reporting and Compliance Management Solution (Total Compliance). The Company also offers Software Product development Services in its areas of operation as mentioned above. Customers include large Companies based in India, USA and Europe.

Total Compliance - a SaaS based Application for tracking and monitoring of all kinds of compliance which is fully configurable for any Country and has features like Tracking, Reviews (Maker-Checker), escalations, notifications & alerts, document upload, access control, Checklists, Document Management, etc., with complete dashboard on the health of the compliance across organization.

PROGRAMME FEE

INR 7,500 plus taxes (15%)
Total Registration Fee : Rs. 8,625/-

Early Bird price up to 6 February, 2017 – INR 6,000/- plus taxes
Total Registration Fee : Rs.6,900/- (saving of Rs.1725)

(Registration Fee includes Lunch and course material.)

Certificate of Participation shall be issued to all delegates.

REGISTRATION

To Register, Please send the following details by email to het.radia@alphabricks.com or you may call on Tel: (020) 67271300 / 8888 467 467 and ask for Het Radia OR you can send a mail to pooja@jsundharesan.com or call on +91 80 2344 0238 /29 to get more details on the program.

Name, Designation, Company name, email id, Telephone number and cell number.

PAYMENTS AND CANCELLATION

Payments can be made by NEFT, RTGS or by cheque (At Par) at least 5 days before the workshop. Invoice can be provided if informed in advance.

Cancellations can be done 3 days prior to the workshop. Administrative charges of 1,000/- will be deducted from the refund. No cancellations permitted during the last 3 days before the event, however, substitutions are allowed if informed in writing by email.